

# **Office of Massachusetts Attorney General Martha Coakley**



## **Request for Proposals (RFP)**

### **Distressed Properties Identification and Revitalization Grant**

*Turning the Corner on the Foreclosure Crisis in Municipalities with High Rates of Distressed  
and Vacant Properties*

**Release Date: May 9, 2013**  
**Response Due Date: June 13, 2013**  
**Project Start Date: August 15, 2013**

Release Date: May 9, 2013

Response Deadline: June 13, 2013

Grantor: Office of Massachusetts Attorney General Martha Coakley

Address: One Ashburton Place, Boston, MA 02108

RFP Name: **Distressed Properties Identification and Revitalization Grant**

RFP Contact Person: Morgan Callahan

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In collaboration with the Commonwealth's [Registers of Deeds](#), and utilizing funds recovered by the Attorney General's Office through a [multi-state settlement concerning unlawful foreclosure methods \(including false documentation and "robo-signing" claims\)](#), the Office of Massachusetts Attorney General Martha Coakley (AGO) is pleased to announce the **Distressed Properties Identification and Revitalization Grant** (the "DPIR Grant") program. The DPIR Grant is designed to help Massachusetts municipalities with high rates of distressed<sup>1</sup> and vacant foreclosed properties "turn the corner" on the foreclosure crisis by effectively identifying distressed and vacant bank or creditor Real Estate Owned (REO) properties, so that the municipalities can advocate for prompt disposition of the properties, and, if appropriate, refer the properties to the AGO's [Abandoned Housing Initiative \(AHI\)](#)<sup>2</sup> or other programs designed to return properties to residential use.

Applications are requested from municipalities, either individually or jointly, to work in collaboration with the appropriate [Register\(s\) of Deeds](#) to research ownership of post-foreclosure, distressed, and vacant REO (distressed) properties. Municipalities receiving DPIR Grant funds will, upon identifying the owners of properties, use all available and appropriate means – including, but not limited to, enforcing local ordinances – to advocate for prompt disposition of the properties, so that they can be returned to productive residential use. If the owner is unresponsive, the municipality will pursue other alternatives, including referring the property to the AGO's AHI for possible court action.

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<sup>1</sup> A distressed property is one: (1) for which a foreclosure process has been initiated; and/or (2) for which an auction has been scheduled in the previous year; and/or (3) which is bank held.

<sup>2</sup> Working in collaboration with municipalities, the AGO's Abandoned Housing Initiative (AHI) is designed to provide a tool for communities to rid otherwise viable neighborhoods of blighted residential properties. The Program employs the code enforcement authority vested in the Attorney General and individual municipalities to require delinquent owners of abandoned, residential properties fix up their property and bring them into compliance with the State Sanitary Code. If an owner is unable or unwilling to make the necessary repairs, the AGO will petition the appropriate court to appoint a receiver to rehabilitate the property. The Sanitary Code receivership provision allows the receiver to place a lien against the property for all costs incurred by the receiver during the project. That lien is given a priority over all existing liens, except municipal liens.

**Grant Program Goals & Priorities:**

The goals of the grant program are to (1) identify distressed and vacant residential REO properties in gateway municipalities<sup>3</sup> and other municipalities with high rates of distressed properties, and (2) ensure that the property owners comply with all state and local ordinances and strive to promptly return the properties to productive residential use.

Municipalities, working individually or jointly, should propose an effective plan to:

- Work in collaboration with the appropriate Register(s) of Deeds to search relevant title records and identify distressed bank or creditor owned residential properties.
- Collaborate with relevant municipal departments, including inspectional services/code enforcement, police, fire, as well as appropriate community stakeholders and utilities, to identify and prioritize a list of vacant distressed properties.
- Upon identifying and prioritizing vacant distressed properties, engage with and advocate to the owner banks or creditors to take any and all necessary steps to bring the properties into a state of good repair and return the properties to the market. Applicants should identify strategies that they will use – including but not limited to enforcing local ordinances – to advocate for returning properties to productive residential use. Applicants are strongly encouraged to utilize creative strategies that are particularly suited to the unique needs and circumstances of their community/communities.
- If, after communicating with the owner, the owner is unable or unwilling to take necessary steps to repair the vacant property and the property remains vacant, refer the property to the AGO's Abandoned Housing Initiative for possible enforcement action or other programs designed to return the properties to residential use.

**Funding Ranges:**

It is anticipated that up to \$1 million will be available for the DPIR Grant program. The number of grants awarded is contingent upon several factors, including the number of applicants. As a result, grants may be issued in varying funding amounts. Municipalities applying both individually and jointly should request a two-year budget which is commensurate with the severity of the foreclosure crisis within their municipal boundaries and reflective of the size and scope of the work proposed. Individual applicant awards will not exceed \$100,000 over two years, and joint applicant awards will not exceed \$150,000 over two years.

Applicants should present budget proposals that anticipate a maximum program duration of up to two years. Final budgets will be determined by the AGO in its sole discretion. Grant amounts may be higher or lower than those proposed by the applicant and the duration of a grant may be longer or shorter than proposed by the applicant.

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<sup>3</sup> Under M.G.L. c. 23A, § 3A, a gateway municipality is defined as a municipality with a population greater than 35,000 and less than 250,000, a median household income below the state average, and a rate of educational attainment of a bachelor's degree or above that is below the state average.

### **Responsibilities of Grant Administrators:**

Regardless of the size of the grant, all Grant Administrators will be obligated to maintain tight financial controls over, and account for the expenditure of, grant funds, including:

- Compiling all data relative to funded programming;
- Ongoing communications and quality control; and
- Provision of timely program and fiscal reports to the AGO.

For joint applications, a lead municipal applicant must be identified. The lead municipal applicant will serve as the primary point of contact and the fiscal agent for the grant. The lead municipal applicant must designate a Grant Administrator who will be responsible for undertaking all administrative tasks (including timely completion of all required financial and programmatic reports) on behalf of the joint applicants. The Grant Administrator must be able to dedicate the necessary amount of time towards this effort.

### **Important Dates:**

- Questions may be submitted via email to [AGOgrants@state.ma.us](mailto:AGOgrants@state.ma.us) until 4 p.m. on Monday, June 10, 2013
- Grant proposals are due as email attachments to be sent to [AGOgrants@state.ma.us](mailto:AGOgrants@state.ma.us) by 4:00 p.m. on Thursday, June 13, 2013.

### **Parties Eligible for Funding:**

Applications will be accepted from gateway municipalities and municipalities that have high rates of distressed properties (either throughout their jurisdiction or in particular geographic areas). Due to the limited amount of funding available, where possible, **municipalities are strongly encouraged to submit joint applications.** Joint applications may be submitted by two or more adjacent or nearby municipalities, with one municipality serving as the lead applicant.

### **Overview of Requirements of Grant Narrative**

#### **Grant Narrative/Project Description – 15 page maximum**

1. The Project Description should be no more than **15 pages, double spaced, 12 point font** and should include the following information:
  - a. **Applicant Information:** A brief description of the municipality/municipalities, including but not limited to, the number, rate, and condition of distressed, vacant, and/or foreclosed properties. Please describe any previous or ongoing efforts and evidence of capacity to identify distressed vacant residential properties and return the properties to productive use.
  - b. **Need and Goals:** Describe the negative impact that distressed, vacant, and foreclosed properties have had in the applicant municipality/municipalities, and if feasible, identify specific neighborhood(s), geographic area(s), and/or census tracts that have been negatively impacted by the presence of distressed vacant properties. Additionally, to the extent possible, please describe the applicant(s) housing needs and the number of residential properties that may be returned to productive use.

Articulate how the municipal applicant(s) plan to meet the stated goals of DPIR Grant program.

- c. **Program Activities:** Please include a detailed description of all of the specific work and/or activities anticipated under the proposal. In particular, applicants should advance creative proposals for encouraging and advocating with owners of distressed and vacant properties to promptly return properties to productive residential use. If you plan to use any subcontractors, please include this in your budget worksheet.
- d. **Supplementation:** A statement affirming that this grant will supplement (and/or expand) and not supplant current efforts.
- e. **Measurement/Tracking/Quality Control:** A description of the methods/ tools to be used to measure, track and evaluate the success of the program.

## 2. Budget Details:

- a. **Budget:** A detailed budget proposal must be included. Please ensure that the exact amount of funding you are requesting is explicitly stated in your budget worksheet. It is anticipated that the majority of grant funds will be expended on salaries. In no event shall an applicant propose expending more than 10% of its annual budget on administrative costs (administrative costs are defined as salary/ benefits for administrative staff, operational costs, or any cost that does not directly manage awarded grant funds). You may use the [budget worksheet provided on the AGO website](#) or provide a budget worksheet in your organization's preferred format.
- b. **Budget Narrative:** No more than two pages double spaced providing a detailed description of how grant funds will be utilized and a description of any financial and/or in kind resources leveraged (if applicable).

*The Budget Worksheet and Budget Narrative do not count towards the 15-page limit.*

## 3. Additional Required Documents:

In addition to the 15-page grant description and budget details, applications must also include all of the additional required documents (listed below) by the RFP deadline of Thursday, June 13, 2013 in order to be considered eligible for funding. **Applications with incomplete, incorrectly executed, or missing documents may not be considered.** These documents can also be found at [www.mass.gov/ago/grants](http://www.mass.gov/ago/grants). Required documents include:

- [AGO Grant Cover Sheet](#)
- [Commonwealth Terms and Conditions](#)
- [Contractor Authorized Signatory Listing](#)
- [Request for Taxpayer Identification Number and Certification \(W-9\)](#)
- [Goals/ objectives/ outcomes worksheet](#)

Please provide all information **except signature**. Since an original ink signature cannot be executed via email, these forms will be returned to successful applicants upon grant award notification. Successful grantees will be required to provide original ink signatures on the previously completed forms within two weeks of receiving the grant award letter. In addition, successful applicants will be required to execute the Commonwealth Standard Contract and the Authorization for Electronic Funds Transfer upon contract award.

**Questions:**

Questions regarding this RFP may be submitted to [AGOgrants@state.ma.us](mailto:AGOgrants@state.ma.us) by email only, no later than **4:00 p.m., Monday, June 10, 2013**. When submitting your question(s), please include "Distressed Properties Identification and Revitalization Grant question" in your email subject line. All questions received and answers provided regarding this RFP will be posted on our website, [www.mass.gov/ago/grants](http://www.mass.gov/ago/grants).

**Submission:**

Proposals are to be delivered electronically (via email) to [AGOgrants@state.ma.us](mailto:AGOgrants@state.ma.us) no later than **4:00 p.m. on Thursday, June 13, 2013**. When submitting your grant proposal, please include "Distressed Properties Identification and Revitalization Grant" in your email subject line. All applicants will receive an email notification confirming receipt. Proposals will not be accepted via any other delivery method. Proposals not meeting this deadline may not be considered.

The response must be 12 Point font and double-spaced. Attachments, budget narrative and line-item budget are not included in the 15-page limit. **Applications that are not received, in full, by the deadline and/or do not meet the stylistic requirements may not be considered.**

*The AGO reserves the right to reopen this RFP for any reason. The AGO also reserves the right to cancel this RFP for any reason.*

**Reporting Requirements:**

Grant recipients are required under the terms of the grant to provide budgetary and program reports every six months (prior to the each disbursement of grant funds) as well as a final report to AGO. These reports will be directed to the AGO and shared with the appropriate Register(s) and Mayor(s) (or other municipal leader). Reporting forms will be provided shortly after the grant notification period. Participating programs must adhere to all mandatory fiscal and program administration guidelines and disbursement of funds will be dependent upon timely submission of all required reports.

**Any proposed changes to grant program or budget, at any time during the grant period, must be requested in writing and must be approved, in advance, by the AGO.**

**Disbursement of Grant Funds:**

Direct payments will be made by Electronic Funds Transfers to the grantee. Presuming a two year grant period, 25% of the grant award will be disbursed at the commencement of the first grant year and 25% will be disbursed at six-month intervals. Disbursements are contingent upon the timely submission and approval of all required program and financial reports; unexpended funds must be returned to the AGO.

**Reasonable Accommodation:**

Applicants with disabilities that seek reasonable accommodation, which may include the receipt of the RFP information in an alternative format, must communicate such requests in writing to the contact person no later than May 23, 2013.

**Public Records:**

All responses and information submitted in response to this call for applications are subject to the Massachusetts Public Records Law, M.G.L. c. 66, § 10, and to M.G.L. c. 4, § 7, cl. 26. Any statements in submitted responses that are inconsistent with these statutes shall be disregarded.

**Updates to this RFP:**

Any changes/corrections to any part to this RFP will be posted on [www.mass.gov/ago/grants](http://www.mass.gov/ago/grants). It is the applicant's responsibility to check this web page frequently for any updates related to this grant.